

Memorandum

Date: June 24, 2003

To: Elosia Stratton
Small Business and DVBE Advocate

From: High Desert State Prison, P. O. Box 750, Susanville, Ca 96127-0750

Subject: **TEAM UP WITH SMALL BUSINESS AND DVBE**

High Desert State Prison has taken a different approach to meet the Small Business (SB) and DVBE goals that are benefiting all State Agency's and Departments. Our approach is simple; we connect and encourage large businesses to team up with SB and DVBE.

Two years ago (June 2001), High Desert State Prison (HDSP) was only doing about 18% of our business with SB and .03% with DVBE. In July 2001 we implemented a new SB/DVBE program teaming up large businesses with SB/DVBE. By June of 2002 we had increased to 35% SB and 2.7% DVBE, and today June 2003, we consistently award over 50% to SB and about 9% to DVBE.

Every agency within the State of California must purchase certain types of products to keep the agency supplied, so it can function as it was designed. As part of developing a sound SB/DVBE plan HDSP analyzed where we spent the money so that we could implement a plan that would reach the mandated SB/DVBE goals.

At HDSP we spend the most money on food and then household supplies, medical supplies, plant repair parts, stationary, ammunition etc. We discovered that many of the products we purchased the most, were not available from SB/DVBE vendors. To increase SB/DVBE participation, we encouraged SB/DVBE businesses and large businesses to team up together to sell to the State. As a result of our efforts many of the SB/DVBE businesses are now selling products that were once only available from large businesses. SB/DVBE are not only winning the small awards but the larger substantial awards.

Since the establishment of this program, we have seen HDSP's DVBE business participation increase from a .03% to 9% and SB go from 18% to over 50%. As the word gets out more and more large businesses are contacting SB and DVBE to represent them in California. In the food area we encouraged Vetsource to become a produce vendor, we worked with Grainger to help them establish five new SB/DVBE vendors to represent them all over California. We help SB/DVBE vendors connect with new distributors and manufactures whenever possible to increase the size of bidding pool. Out of State vendors are always looking for ways to do business in California. The SB/DVBE program is the perfect avenue for both. When SB/DVBE expand, to represent new companies and product lines, you

increase the chance for SB/DVBE award. Large businesses like the additional representation and a chance to sell more product and SB/DVBE can bid on more products and get more awards from all State Agencies and Departments.

HDSP has a better developed, SB/DVBE pool to bid with, where there were only large businesses before. We have been successful in getting SB/DVBE vendors to supply us with the things we buy the most like: Produce, food, dairy, household supplies, medical supplies, stationary, plant repair parts, auto parts and more. In many instances there are several SB/DVBE vendors to bid with which increases the chance of a SB/DVBE award. HDSP still implements other programs to assist us in meeting the goals, but none have been more successful at meeting the goals and assisting SB/DVBE in doing business with the State of California than this program.

JIM McEACHERN
Procurement & Services Officer II